

**CHILD PLACING AGENCIES**  
**PLAN FOR FINANCING THE FIRST YEAR OF OPERATIONS**

DATE: \_\_\_\_\_

Name of Child-Placing Agency: \_\_\_\_\_

**ANTICIPATED REVENUE:**

- |    |                                      |    |  |
|----|--------------------------------------|----|--|
| 1. | Fees for Children in Care            | \$ |  |
| 2. | Fees from Other Clients and Services |    |  |
| 3. | Income from Investments              |    |  |
| 4. | Endowment/Trust Fund(s)              |    |  |
| 5. | Contributions/Solicitations          |    |  |
| 6. | Adoption Fees                        |    |  |
| 7. | Other ( <i><b>specify</b></i> )      |    |  |

**TOTAL REVENUE**                      \$ \_\_\_\_\_

**ANTICIPATED EXPENSES:**

- |    |  |    |  |
|----|--|----|--|
| 1. | Administration                               |    |  |
|    | a. Office Supplies & Equipment               | \$ |  |
|    | b. Insurance – Fire Insurance                |    |  |
|    | - Personal Liability                         |    |  |
|    | c. Interest                                  |    |  |
|    | d. Taxes ( <i><b>specify</b></i> )           |    |  |
|    |  |    |  |
|    |  |    |  |
|    |  |    |  |
|    |  |    |  |
| 2. | Salaries, Wages and Benefits                 |    |  |
|    | a. Salaries & Wages                          | \$ |  |
|    | b. FICA                                      |    |  |
|    | c. Fringe Benefits ( <i><b>specify</b></i> ) |    |  |
|    |  |    |  |
|    |  |    |  |

### PLAN FOR FINANCING THE FIRST YEAR OF OPERATIONS – *continued*

- |    |                                    |       |          |
|----|------------------------------------|-------|----------|
| 3. | Operations                         |       | \$ _____ |
| a. | Payments to Foster Homes           |       |          |
| b. | Rent or Mortgage Payments          | _____ |          |
| c. | Utilities                          | _____ |          |
| d. | Repairs & Renovations              | _____ |          |
| e. | Equipment & Supplies               | _____ |          |
| f. | Travel ( <b>staff</b> )            | _____ |          |
|    | Transportation ( <b>children</b> ) | _____ |          |
| g. | Training for Foster Homes          | _____ |          |
| h. | Consultation                       | _____ |          |

4. Other (***specify***) \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**TOTAL EXPENSES**                      \$ \_\_\_\_\_

## PLAN FOR FINANCING THE FIRST YEAR OF OPERATIONS

### INTRODUCTION

The Plan for Financing the First Year of Operations provides financial information regarding anticipated revenue (income) to the child-placing agency as well as anticipated operating expenses for the first year of operation. This form is of primary importance in providing selected information for use in determining financial responsibility as required by Section 63.1-198, Chapter 10, Title 63.1, Code of Virginia. Amounts entered are to be based on valid sources of revenue and a realistic determination of anticipated expenses. The requested data is critical to the evaluation of the agency's capability to operate effectively and meet essential financial obligations during the first year of operations. When completing this form, do not include any revenue or expenses which are not directly associated with operation of the agency.

### INSTRUCTIONS FOR COMPLETING THE FORM

**ANTICIPATED REVENUE** – This includes anticipated annual income from all sources, i.e., it is the total of income from all sources shown below. It should not include personal income of the applicant(s) unless such money is to be used for operating the child-placing agency on a continuous basis.

1. **Fees for Children in Care** – Enter anticipated revenue to be received each year as fees or payments for children in care. This should be based on the rate per child to be charged by the agency and the number of children expected to be in care during the first year of operation. An estimate that is somewhat less than the total capacity may be the most realistic one.
2. **Fees from Other Clients and Services** – The agency may provide services to clients and receive fees from them. (*Example: Fees for training or consultation services provided to any person or organization*).
3. **Income from Investments** – Enter any income expected from existing investments for the purpose of supporting agency operations.
4. **Endowment/Trust Fund(s)** – Enter revenue expected during the year from this source, if planned to support the agency.
5. **Contributions/Solicitations** – Enter income expected from sources such as United Fund, religious or fraternal organizations, fund drives and solicitations, etc.
6. **Adoptions Fees** – Fees to be charged for adoption services.
7. **Other (specify)** – Specify source and amount of any income not stated above which is expected during the year (if such funds will be used for the agency).

## PLAN FOR FINANCING THE FIRST YEAR OF OPERATIONS

### Instructions for Completing the form - *Continued*

ANTICIPATED EXPENSES – This includes anticipated annual expenses of all types necessary to agency operations. It is the total of all expense items shown below. Four (4) major categories of anticipated expenses are shown. The explanations of the sub-headings are intended to assist the applicant in understanding the number and types of financial considerations which may be involved in a CPA , and to assist the Department in evaluating the agency's qualifications for a license.

1. Administration:

- a. Office Supplies and Equipment – Include expendable and non-expendable items used for administrative purposes. *Examples: pens, pencils, paper, computers, filing cabinets, desks, chairs, etc. (Do not include training equipment and supplies. Do not duplicate anything shown in 3, e. below.)*
- b. Insurance – Show the annual cost of insurance paid by the agency, e.g., fire and liability insurance. Show separately any insurance paid by foster homes if paid in support of children in care.
- c. Interest – Show any interest due or to become due during the year on outstanding loans.
- d. Taxes – Enter the annual amount of taxes that must be paid by the agency. This would include Federal unemployment taxes paid on employees' salaries and wages, as well as (if applicable) business license taxes, property taxes and real estate taxes, etc. The employer's FICA (Social Security) taxes should be shown in Salaries and Wages category below.

2. Salaries, Wages and Benefits:

- a. Salaries & Wages – Include all salaries and wages to be paid by the agency to its employees; and if the agency is a corporation or association, to its Board of Directors for salaries or expenses, if applicable. Also, include salaries/wages to the agency owner, director, or chief administrative officer; trainers, social workers and other professional level staff persons; secretaries, clerks and assistants; maintenance workers; and groundskeepers, janitors and any others who are regular employees of the agency. Payments to foster homes should be entered under Payments to Foster Homes below.
- b. FICA and Fringe Benefits – Show the total costs the agency must bear for employee vacations, sick leave, FICA (Social Security payments), workmen's compensation, the costs for substitute personnel (if borne by the agency), and similar costs.

**PLAN FOR FINANCING THE FIRST  
YEAR OF OPERATIONS**

**Instructions for Completing the form - *Continued***

3. Operations:

- a. Payments to Foster Homes – Enter total paid or to be paid to foster homes as their fees for child care for the year. Payments for other purposes may be included but should be specified.
- b. Rent or Mortgage Payments – Show any payments of this type for buildings/property of the agency (e.g., *office building, warehouse*); and any payments to or for foster homes for this purpose, if applicable.
- c. Utilities – Show the total of payments made or to be made by the agency for electricity, water, fuel oil, gas (for heating), sewage and refuse services, telephone and similar services.
- d. Repairs & Renovations – Show all expenses of this type incurred by the agency to maintain, repair or renovate its own structure(s) or property (show separately).
- e. Equipment and Supplies – Show costs of such items provided by the agency to foster homes. Examples: *items such as toys, construction paper, glue, etc.* DO NOT include supplies and equipment the agency will use exclusively in its office(s). DO NOT include training equipment and supplies (see *g below*).
- f. Travel and Transportation – (1) Include all costs of travel by agency staff in business operations, including mileage payments to staff members for home visits: and the travel/transportation costs of staff members for their own training or self development activities. (2) Show separately the travel/transportation costs, if any, the agency expects to bear for transporting children for any purposes.
- g. Training to Foster Homes – Show the costs incurred by the agency in providing various types of training to foster homes. Include costs such as guest speaker fees, training materials, rental of facilities for training, and similar expenses. DO NOT include salaries for training (see 2, *a above*) or the costs of training involving travel/transportation (see 3, *f*) and training equipment.
- h. Consultation – Include all costs (fees, travel and expenses) paid or to be paid for any experts or consulting firms used to assist the agency in solving problems or evaluating or improving its performance.

4. Other (specify) – Various types of expenses other than those above may be incurred by the agency. These should be identified and explained here.